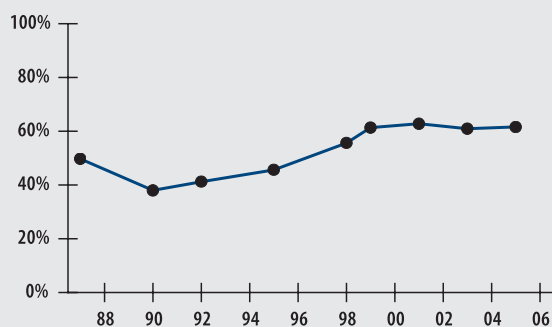
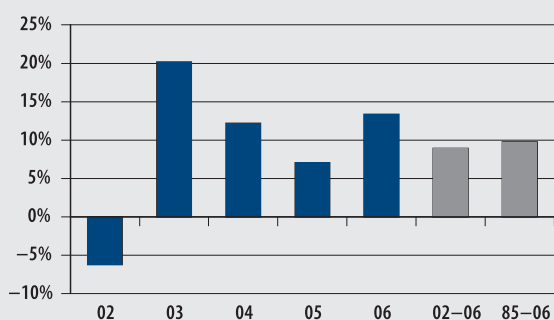


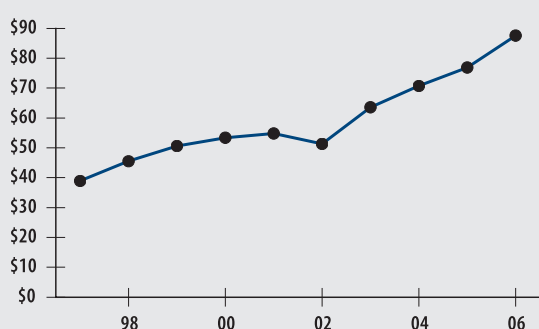
► Funded Ratio (1987-2006)



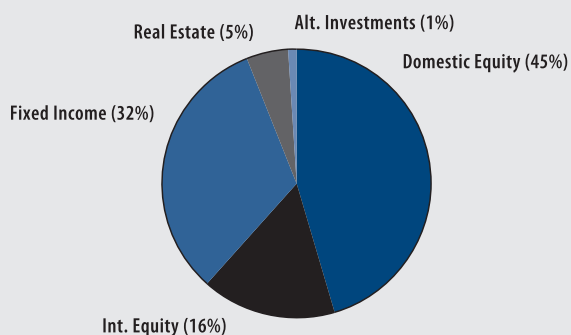
► Investment Return (2002-2006, 5 Year and 22 Year Averages)



► Asset Growth (1997-2006) (Market Value in Millions)



► Asset Allocation (12/31/06)



► ACTUARIAL

• Funded Ratio	61.6%
• Date of Last Valuation	01/05
• Actuary	Buck
• Assumed Rate of Return	8.00%
• Funding Schedule	2.5% Increasing
• Year Fully Funded	2023
• Unfunded Liability	\$45.9 M
• Total Pension Appropriation (Fiscal 2007)	\$5.9 M

	Active	Retired
• Number of Members	701	321
• Total Payroll/Benefit	\$25.7 M	\$6.1 M
• Average Salary/Benefit	\$36,700	\$19,000
• Average Age	NA	72
• Average Service	NA	NA

► INVESTMENT

Domestic Equity

- Batterymarch US Small Cap Equity Growth Fund
- PENN Midcap Equity Fund, LP
- RhumbLine S&P 500 Pooled Index Fund
- Voyageur Asset Management Inc.

International Equity

- Boston Company International Equity Fund

Domestic Fixed Income

- Credos High Yield Bond Fund
- SSgA Passive Bond Market Index SL Fund
- SSgA Treasury Inflation Protected Securities (TIPS) Fund

Alternative Investments

- North American Strategic Partners 2006, L.P.

Real Estate

- Clarion Lion Properties Fund

Consultant

- Meketa Investment Group

Custodian

- Investors Bank & Trust

► 2006 Return	13.35%
► 2006 Target	8.03%
► 2006 Market Value	\$87.6 M
► 2002-2006 (Annualized)	8.94%
► 1985-2006 (Annualized)	9.77%